

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
MARCH 12, 1992 9:00 AM EST

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, March 12, 1992. Members present were Messrs. Mark Hasten, presiding, W. Paul Wolf, John M. House, Douglas Grant, Eugene Deutsch, and Mrs. Dee L. Godme. Also present were Director Charles W. Phillips; J. Philip Goddard, Legal Counsel; Deputy Director Donald E. Husk, C.F.E., Depository Institutions; John E. Simmonds, Deputy Director; Randall L. Rowe, Bank Supervisor; James M. Cooper, Administrative Assistant; Burl H. Thornton, Bank Analyst; Charles T. Stumpf, Administrative Assistant; Mark A. Powell, Supervisor, Credit Unions; Robert E. Haler, Supervisor, Non-Depository Institutions; Janice L. Davis, Executive Secretary; and Terry Duga, Attorney General's Office. Not present was Board Member Daniel Leitch, III.

I. EXECUTIVE SESSION

A.) Fairlawn Motors located in Evansville, Indiana. A review of the examination report, relative information and findings. The report is confidential as provided by I.C. 28-1-2-30. This aspect of the Executive Session is authorized by I.C. 5-14-1.5-6(b)(6).

B.) Budgeteers, Inc. d/b/a American Budget Counselors located in Merrillville, Indiana. A review of the examination report, relative information and findings. The report is confidential as provided by I.C. 28-1-2-30. This aspect of the Executive Session is authorized by I.C. 5-14-1.5-6(b)(6).

C.) A discussion of Personnel Matters. This aspect of the Executive Session is authorized by I.C. 5-14-1.5-6(b)(5).

II. PUBLIC SESSION

A.) Attendance

B.) The date of the next meeting will be April 9, 1992, at **10:00 a.m. EST.**

C.) Upon motion made by Mr. House and seconded by Mr. Wolf the minutes of the meeting held February 13, 1992, were unanimously approved.

D.) Action taken under Executive Session:

1.) Fairlawn Motors, Evansville - A motion was made by Mr. Deutsch that the Department proceed under I.C. 24-4.5-6-113, and was seconded by Mr. House. The motion was unanimously approved.

2.) Budgeteers, Inc., Merrillville - A motion was made by Mr. Grant that the Department take whatever action deemed necessary to resolve this matter. The motion was seconded by Mrs. Godme and approved. Mr. Deutsch abstained from voting on this item.

3.) No action was taken regarding Personnel Matters. This item was for informational purposes only.

DIVISION OF BANKS AND TRUST COMPANIES

1.) CNB Bancshares, Inc., Evansville, Vanderburgh County, requests approval to acquire 100% control of Indiana Bancshares, Inc., Greenwood, Johnson County, Indiana, and thereby its subsidiary banks, Bargersville State Bank, Greenwood, Johnson County, Indiana, and Bloomington Bank and Trust Company, Bloomington, Monroe County, Indiana. The acquisition will be accomplished through merger of Indiana Bancshares, Inc., with and into CNB of Central Indiana, Inc., a recently formed wholly-owned subsidiary of CNB Bancshares, Inc. The application was received January 16, 1992, and accepted for processing January 31, 1992. The statutory forty-five (45) day period expires March 16, 1992. Therefore, it is necessary that the Members' take action at the March 12, 1992, meeting. The statutory required notices of acceptance of the application were published in Vanderburgh County on February 10, 1992, in Johnson County on February 8, 1992, and in Monroe County on February 9, 1992. A motion was made for approval by Mr. House and seconded by Mr. Wolf. The acquisition was unanimously approved.

2.) Old National Bancorp, Evansville, Vanderburgh County, Indiana requests approval to acquire 100% control of USB Corporation, Washington, Daviess County, Indiana, and thereby acquire its subsidiary bank, United Southwest Bank, Washington, Daviess County, Indiana. The acquisition will be accomplished by merger of USB Corporation with and into Old National Bancorp. After the transaction is completed, United Southwest Bank will become a wholly-owned subsidiary of Old National Bancorp. The application was received January 17, 1992, and accepted for processing on February 3, 1992. The statutory forty-five (45) day period expires March 19, 1992; therefore, the Members' action is necessary during the March 12, 1992, meeting. The statutory required notices of acceptance were published in both Vanderburgh County, and Daviess County on February 10, 1992. The Federal Reserve Bank of St. Louis approved the transaction on January 27, 1992. A motion was made for approval by Mr. Wolf and seconded by Mr. House. The acquisition was unanimously approved.

3.) National City Corporation, Cleveland, Cuyahoga County, Ohio requests approval to acquire 100% control of Merchants National Corporation, Indianapolis, Marion County, Indiana. The acquisition will be accomplished by the merger of Merchants National Corporation with and into the National City Acquisition Corporation, a wholly-owned subsidiary of National City Corporation. After the transaction is completed, National City Corporation will indirectly acquire seventeen (17) Indiana bank subsidiaries and other non-banking subsidiaries of Merchants National Corporation. The application was received December 23, 1991, and accepted for processing on January 9, 1992. The statutory forty (40) day inactive period expired on February 18, 1992. The statutory required notice of acceptance of the application was published in nineteen (19) counties which were affected in Indiana and Ohio. Proofs of these publications were supplied to the Department. A motion was made for approval by Mr. Grant and seconded by Mr. House. The acquisition was approved. Mr. Deutsch abstained.

DIVISION OF CREDIT UNIONS

1.) A request by Hoosier Farm Bureau Credit Union, Indianapolis, Marion County, Indiana, for permission to move the main office of the credit union from 130 East Washington Street, Indianapolis, Marion County, Indiana, to 225 South East Street, Indianapolis, Marion County, Indiana. A motion was made for approval by Mrs. Godme and seconded by Mr. Deutsch. The request was unanimously approved.

DIRECTOR'S COMMENTS

A.) The Director advised the Members of actions taken pursuant to delegated authority.

1. A request by the Bank of Western Indiana, Covington, Fountain County, to obtain an extension to hold the title of the property known as John and Charlene Cooper ORE, at 305 Sixth Street, West Lebanon, Warren County, Indiana. APPROVED.

2. A request by the State Bank of Oxford, Oxford, Benton County, to establish a Branch Banking Office at 206 Rickey Road, Monticello, White County, Indiana. APPROVED.

3. A request by Vevay Deposit Bank, Vevay, Switzerland County, to continue to hold title to other real estate known as "Markland Dam Property" located on Route #1, Florence, Indiana. Recommend an extension to hold title to the other real estate as is provided for in I.C. 28-1-11-5(c), from February 17, 1992, to February 17, 1994, subject to the conditions set forth by the Director of the Department. APPROVED.

4. A request by The Merchants Bank and Trust Company, West Harrison, Dearborn County, for approval to hold title to other real estate longer than the five years provided in I.C. 28-1-11-5(c). Recommend an extension from September 3, 1991 to September 3, 1993, subject to conditions set forth by the Director of the Department. APPROVED.

5. A request by First State Bank, Morgantown, Morgan County, for approval on behalf of Morgan Interim Bank, Morgantown, Indiana, to merge as the first step of a two-step transaction pursuant to which B.J. Morgan Bankshares, Inc. will become a one-bank holding company for the surviving corporation in the merger. APPROVED.

6. A request by First Community Bancshares, Inc., Bargersville, Johnson County, for approval to establish an "Interim" Bank to be known as "First Community Bank and Trust", Bargersville, Johnson County, Indiana. This is a Federal chartered institution which is converting to a state chartered bank. APPROVED.

7. A petition by The New Washington State Bank, New Washington, Clark County, to amend the Articles of Incorporation to provide for two classes of stock. APPROVED.

8. A request by Teachers Credit Union, South Bend, St. Joseph County, for approval to establish a service office at 6500 North Shadeland, Indianapolis, Marion County, Indiana. APPROVED.

9. A request for a lenders license by DCRS Holdings, Inc., a subsidiary of Union Mortgage Company located at Dallas, Texas. APPROVED.

10. A request for a Pawnbroker License by Coxco, Inc. d/b/a Steve's Taxidermy and Bass Pro Shop, Columbus, Indiana. APPROVED.

B.) Centier Bank, Whiting, Lake County, Indiana, has notified the Department that they intend to close the "First Commerce Savings Bank" branch, located at 155 Mill Street, Lowell, Lake County, Indiana. The closing is scheduled for March 7, 1992, at 12:00 p.m. Notice of the closing was published February 13, 1992. This item is for informational purposes only.

C.) A general discussion was held in regard to the Members' Meetings. A letter that Chairman Hasten wrote to the Board was discussed in regard to frequency of the Members' Meetings. It was determined that there will be twelve meetings per year, and that the Chairman must determine if any meetings will be cancelled.

CERTIFICATION

The Department certifies that the business discussed in the Executive Session was limited only to business which was set out in the Department's Notice of Meeting and Agenda under the heading, Executive Session.

There being no further business to come before the Members, the meeting was adjourned.

APPROVED:

ATTEST:

Mark Hasten, Chairman

J. Philip Goddard, Secretary